



ARIZONA STATE SENATE
Fifty-Fourth Legislature, Second Regular Session

FACT SHEET FOR S.B. 1060

special education; group B weights

Purpose

Increases group B support level weights for special education funding categories. Appropriates \$5,000,000 from the state General Fund to the Extraordinary Special Education Needs Fund (Extraordinary Needs Fund).

Background

Under the school finance formula, a school's student count is weighted based on students' classification into funding categories ([A.R.S. § 15-943](#)). Currently, schools receive a support level weight of 5.833 for students who are classified with multiple disabilities (MD-SC), autism (A-SC), and severe intellectual disability (self-contained) (SID-SC).

Students with developmental delays (DD), emotional disabilities (ED), mild intellectual disabilities (MIID), specific learning disability (SLD), speech/language impairments (SLI) and other health impairments (OHI) receive a support level weight of 0.003 ([A.R.S. § 15-943](#)).

According to the Joint Legislative Budget Committee (JLBC), with the proposed formula changes, S.B. 1060 will have a fiscal impact to the state General Fund as outlined:

Fiscal Impact of Formula Changes	Proposed 6.024 Weight for MD-SC, A-SC, and SID-SC	Proposed 0.114 Weight for DD, ED, MIID, SLD, SLI and OHI
Estimated ADM	7,571	106,607
Formula Cost Increase	\$6,378,800	\$52,022,300
Less local property taxes	\$302,900	\$2,188,100
General Fund Impact	\$6,075,900	\$49,834,200

Group B Formula Funding Per Pupil	Proposed 6.024	Proposed 0.114 Weight
Current Funding Per Pupil	\$25,626	\$13
Proposed Increase	\$842	\$488
Formula Spending Per Pupil	\$26,468	\$501

In 2001, the Legislature established the Extraordinary Needs Fund to be administered by the State Board of Education (SBE). Statute allows a school district or charter school to apply to SBE for a grant and requires that applications include outlined information ([A.R.S. § 15-774](#)).

S.B. 1060 appropriates \$5,000,000 from the state General Fund to the Extraordinary Needs Fund in FY 2021.

Provisions

Group B Support Level Weights

1. Increases, from 5.833 to 6.024, the MD-SC, A-SC and SID-SC support level weights.
2. Increases, from 0.003 to 0.114, the DD, ED, MIID, SLD, SLI and OHI support level weights.

Extraordinary Needs Fund

3. Transfers, from SBE to the Arizona Department of Education (ADE), the administration and application oversight of the Extraordinary Needs Fund and allows ADE to retain up to two percent for administration.
4. Establishes that monies in the Extraordinary Needs Fund are continuously appropriated, rather than subject to legislative appropriation.
5. Requires ADE to award monies from the Extraordinary Needs Fund to school districts and charter schools with eligible claims, rather than with grants.
6. Deems a school district or charter school is eligible for Extraordinary Needs Fund monies if it demonstrates a pupil receiving special education services has incurred current year costs of at least three times the statewide per-pupil funding average.
7. Requires a school district or charter school, submitting a claim from the Extraordinary Needs Fund on behalf of a pupil, to:
 - a) demonstrate the current year total costs incurred by the pupil; and
 - b) itemize the total costs that are attributable to the pupil.
8. Allows a school district or charter school to submit a claim for:
 - a) the full fiscal year, if an expense incurred at the time of filing will continue in subsequent quarters until the end of the same fiscal year; or
 - b) expenses resulting from an independent educational evaluation.
9. Allows a school district or charter school to revise a claim, to receive funding at the end of the quarter, for an additional expense for a pupil who received funding in the same fiscal year, subject to available monies.
10. Requires ADE to:
 - a) evaluate claim requests each quarter;
 - b) prioritize funding based on the difference between the claim amount submitted by a school district or charter school and the total funding received for that pupil, if there are insufficient monies in the Extraordinary Needs Fund; and

- c) annually adopt policies and procedures, including the average statewide per-pupil funding amount for a fiscal year, for posting on the ADE website.
11. Allows ADE to notify a school district or charter school, that submits a claim with insufficient information, to revise its claim within two weeks.
 12. Requires, by December 15, ADE to annually report to the Governor, the President of the Senate, the Speaker of the House of Representatives, JLBC and the Secretary of State:
 - a) the number of claims for extraordinary special education needs that were funded in the previous year;
 - b) how school districts and charter schools used claim monies; and
 - c) the total number of claims received during the previous year.
 13. Appropriates \$5,000,000 from the state General Fund to the Extraordinary Needs Fund in FY 2021.

Miscellaneous

14. Makes technical and conforming changes.
15. Becomes effective on the general effective date.

Prepared by Senate Research
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JO/gs